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THE PUBLIC INTEREST LAW OFFICE OF THE LOS ANGELES COUNTY AND BEVERLY HILLS BAR ASSOCIATIONS The Southern California Affiliate of The Lawyers Committee for Civil Rights Under Law

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April 3, 2008

VIA FACSIMILE AND US MAIL

Chairman Ross Johnson Fair Political Practices Commission 428 J Street, Suite 620 Sacramento, CA 95814

April 10, 2008 Agenda Item #6 RE: Permanent Adoption of Emergency Regulation 18413

Dear Chairman Johnson,

I write on behalf of Public Counsel regarding the permanent adoption of Emergency Regulation 18413. Public Counsel supports expanding the regulation to make the "event-based reporting" option available to section 501(c)(3) nonprofit organizations, as recommended in the Staff Memorandum dated March 24, 2008.

Public Counsel is the largest pro bono law office in the nation. We are the public interest law firm of the Los Angeles County and Beverly Hills Bar Associations, and the Southern California affiliate of the Lawyers' Committee for Civil Rights Under Law. We have a long history of representing nonprofit organizations that serve the needs of the most vulnerable members of our community. Last year, we provided legal assistance to hundreds of nonprofit 501(c)(3) organizations on a wide range of legal matters. Among other services, our clients provide health care, social services and housing to thousands of disadvantaged residents of Los Angeles County.

The majority of our nonprofit clients are volunteer-run community-based organizations. Many have recently had significant cuts in their programming and are struggling to continue to provide much-needed social services. Few of our clients have the resources to interpret and comply with the veritable maze of applicable legal and financial regulations applicable to nonprofit corporations. Our role as attorneys representing community-based nonprofits is to help our clients comply with these requirements, so that charitable funds may be used for program services rather than legal or compliance programs. We continually advise our clients about the layers of financial review and reporting required of charitable organizations. We are therefore in a unique position to speak to the impact of burdensome reporting requirements on this client base.

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Nonprofit section 501(c)(3) organizations such as our clients play an important role in the ballot measure process, providing a voice for those who are least likely to be able to advocate for themselves. However, burdensome reporting, registration and recordkeeping requirements tend to stifle nonprofits' participation in this process, out of concern that they do not have resources available to ensure compliance.

We urge you to alleviate this burden by expanding the alternative event-based reporting set forth in Emergency Regulation 18413 to 501(c)(3) organizations. Failure to do so would subject these charitable organizations to requirements that are more onerous than those imposed on 501(c)(4) nonprofits engaging in similar activities, a result that we believe would be contrary to the court's decision in California Pro-Life Council, Inc. v. Randolph.

Thank you for your consideration.

Best regards,

Elizabeth Bluestein

Directing Attorney, Community Development Project

Public Counsel